

U. S. TREASURY DEPARTMENT
Internal Revenue Service
Washington 25, D. C.

Alcohol and Tobacco Tax Division
Industry Circular No. 56-15

May 1, 1956

Disposition of Samples of Distilled Spirits

Proprietors of distilleries,
internal revenue bonded ware-
houses, and bonded wine cellars:

1. This circular is issued to clarify and emphasize the permissible and prohibited uses and disposition of samples of distilled spirits withdrawn by proprietors from distilleries, internal revenue bonded warehouses, and bonded wine cellars.

2. Pursuant to regulations in 26 CFR Parts 220, 221, 225, and 240, samples of distilled spirits may be obtained for the purposes specified in such regulations. These regulations also prescribe the disposition which shall be made of unused portions of samples. As it has come to the attention of the National Office that requirements relating to permissible uses of samples, and proper disposition of unused portions of samples, are not fully understood, it is desired to clarify these requirements.

3. Except in the case of samples withdrawn subject to tax, all samples of distilled spirits withdrawn by proprietors from distilleries, internal revenue bonded warehouses, and bonded wine cellars must be used solely for laboratory analysis or testing (including organoleptic examination). It is intended that such analyses and tests shall consist of determinations of the kind and quantity of the components of the spirits or of the intrinsic properties or characteristics (taste, odor, color, specific gravity, water solubility, etc.) of the spirits.

4. Under no circumstances shall any samples withdrawn for laboratory analysis or testing (including organoleptic examination) be used for sale or consumption or be furnished to prospective buyers, salesmen, or dealers for advertising or soliciting purposes. Unless the label affixed to the sample container at the time of withdrawal bears the words "Subject to Tax", samples withdrawn for laboratory analysis or testing (including organoleptic examination) shall not be used for any of the following purposes:

- 1 For the development of blends.
- 2 For testing the stability or suitability of newly developed materials used in the manufacture of containers, closures, pipes, hoses, etc.

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- 3 For furnishing to a purchaser of spirits, if the sample is not to be used as provided in section 3, notwithstanding the spirits have been sold subject to the purchaser's approval.
- 4 For use solely as a laboratory standard or "library sample".

This is not intended to be a complete listing.

5. Samples withdrawn for the uses described in section 3 should be kept in a place of security. Remnants of such samples, if they are desired for use as laboratory specimens or in further analysis or testing, should likewise be safeguarded. When no longer needed as specimens or samples, such remnants should be disposed of by one or more of the methods listed below and no other:

- 1 Complete destruction by pouring into a sewer or by some other equally effective means.
- 2 Pouring into vessels in a distilling system on distillery premises under the supervision of a storekeeper-gauger.
- 3 Return to the bonded wine cellar for use in the production of wine (where the remnants are of samples of wine spirits withdrawn from a bonded wine cellar).

6. Prompt correction should be made of any practices in conflict with the provisions of this circular.

7. Inquiries regarding this circular should refer to its number and be addressed to the office of your assistant regional commissioner (alcohol and tobacco tax).


Dwight E. Avis,
Director, Alcohol and Tobacco Tax Division.